



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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Third District

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Fifth District

August 16, 2012

To: Supervisor Zev Yaroslavsky, Chairman  
Supervisor Gloria Molina  
Supervisor Mark Ridley-Thomas  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: William T Fujioka  
Chief Executive Officer

## SACRAMENTO UPDATE

### Executive Summary

This memorandum contains reports on the following:

- **Change in Advocacy Position on County-opposed AB 1050 (Ma).** This measure would establish a State surcharge on prepaid mobile telephone services, and cites the intent of the Legislature to develop and implement a means to collect local Utility Users Tax (UUT) and local communications surcharges on prepaid telephone services. The bill was amended on August 8, 2012 to delete provisions which would have had an immediate impact on local UUT collections. **Therefore, unless otherwise instructed by the Board, the County will remove opposition to AB 1050 and take no position on this measure.**
- **Status of County-Advocacy Legislation:** Since their return from summer recess, both the Senate and Assembly have taken action on various bills, including the following County-advocacy measures:
  - **County-supported AB 377 (Solorio)** related to pharmacy services for inpatients in acute hospitals, passed the Senate Appropriations Committee on August 13, 2012 and now proceeds to the Senate Floor for consideration.

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- **County-supported AB 1124 (Skinner)** related to rental housing and qualifications for utility energy savings, passed the Assembly on August 13, 2012 and now proceeds to the Governor.
- **County-supported AB 1325 (Lara)** related to Fictitious Business Name statements, passed the Senate on August 13, 2012 and now proceeds to the Assembly for concurrence in Senate amendments.
- **County-supported AB 1623 (Yamada)** related to the extension of registration fees for the county sealer, passed the Assembly on August 13, 2012 and now proceeds to the Governor.
- **County-supported AB 2026 (Fuentes)** related to the extension of tax credits to qualifying motion pictures, was amended to decrease the extension from five years to two years. This measure is awaiting consideration on the Assembly Floor.
- **County-opposed SB 1201 (De León)** related to the Los Angeles River, passed the Assembly on August 13, 2012 and now proceeds to the Governor.

More detailed information on these County-advocacy measures is provided below.

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#### **Change in County Position on Legislation**

**County-opposed AB 1050 (Ma)**, which as amended on March 31, 2011, would have required the State Board of Equalization to convene a working group to develop recommendations for an equitable and uniform method of collecting State and locally authorized taxes, fees and surcharges, including the local Utility Users Tax (UUT) from consumers of prepaid wireless communications services. This measure was amended on August 8, 2012 to delete this provision. As amended, AB 1050 would establish a State surcharge on prepaid mobile telephone services, and cites the intent of the Legislature to develop and implement a means to collect local UUT and local communications surcharges on prepaid telephone services. The bill does not specify a date by which the Legislature would be required to implement a means to collect these local charges. AB 1050 is an urgency measure and would be effective immediately if passed by the Legislature and signed by the Governor.

The County-opposed AB 1050, as previously amended, based on existing Board policy to oppose proposals that would jeopardize control of locally-imposed fees or taxes. Because the bill has been amended to delete provisions which would have an immediate impact on the local UUT, **unless otherwise instructed by the Board, the County will remove opposition to AB 1050 and take no position on this measure.** This office and the Sacramento advocates will continue to monitor this issue and any legislation regarding the UUT.

### **Status of County-Advocacy Legislation**

**County-supported AB 377 (Solorio)**, which as amended on August 6, 2012, would authorize a licensed hospital pharmacy to prepare medications for inpatients in its acute care hospital and for inpatients in one or more hospitals within the same health care system located within a 75-mile radius of the pharmacy, passed the Senate Appropriations Committee by a vote of 6 to 0 on August 13, 2012. This measure now proceeds to the Senate Floor.

**County-supported AB 1124 (Skinner)**, which as amended on June 12, 2012, would modify provisions related to a landlord's duties of habitability and would clarify that the minimum requirements for rental housing do not preclude a tenant or owner of rental properties from qualifying for a utility energy savings assistance program or other program assistance for heating or hot water system repairs or replacement that would achieve energy savings, passed the Assembly by a vote of 78 to 0 on August 13, 2012. This measure now proceeds to the Governor.

**County-supported AB 1325 (Lara)**, which as amended on July 2, 2012, would, commencing January 1, 2014, require persons at the time of filing Fictitious Business Name (FBN) statements to provide proof of identity in the form of a California driver's license or other identification acceptable to the county clerk, who may also request an affidavit of identity and other formal documents, passed the Senate by a vote of 37 to 0 on August 13, 2012. This measure now proceeds to the Assembly for concurrence in the Senate amendments.

**County-supported AB 1623 (Yamada)**, which as amended on August 6, 2012, would extend the authority of county boards of supervisors to charge an annual registration fee to recover the costs of the county sealer from January 1, 2013 to January 1, 2016, among other provisions, passed the Assembly by a vote of 56 to 19 on August 13, 2012. This measure now proceeds to the Governor.

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**County-supported AB 2026 (Fuentes)**, which would extend the requirement that the California Film Commission (CFC) annually allocate tax credits to qualifying motion pictures through FY 2019-20, was amended on August 13, 2012 to instead extend the tax credits for two additional years through FY 2016-17 and to require specific information be provided on the effectiveness and administration of the tax credit program and for the CFC to annually post on its website specific information on the tax credit program. This measure is awaiting consideration on the Assembly Floor.

**County-opposed SB 1201 (De León)**, which as amended on May 25, 2012, would add language to the intent provisions of the Los Angeles County Flood Control Act to provide for increased public use of navigable waterways under the control of the Los Angeles County Flood Control District for recreational and educational purposes, passed the Assembly by a vote of 46 to 25 on August 13, 2012. The measure now proceeds to the Governor.

We will continue to keep you advised.

WTF:RA  
MR:KA:IGEA:lm

c: All Department Heads  
Legislative Strategist  
Local 721  
Coalition of County Unions  
California Contract Cities Association  
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